



General Assembly

February Session, 2008

Raised Bill No. 573

LCO No. 2611

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Referred to Committee on Energy and Technology

Introduced by:
(ET)

AN ACT CONCERNING ELECTRICITY MARKET REFORMS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (k) of section 16-244c of the 2008 supplement
2 to the general statutes is repealed and the following is substituted in
3 lieu thereof (*Effective from passage*):

4 (k) (1) As used in this section:

5 (A) "Participating electric supplier" means an electric supplier that is
6 licensed by the department to provide electric service, pursuant to this
7 subsection, to residential or small commercial customers.

8 (B) "Residential customer" means a customer who is eligible for
9 standard service and who takes electric distribution-related service
10 from an electric distribution company pursuant to a residential tariff.

11 (C) "Small commercial customer" means a customer who is eligible
12 for standard service and who takes electric distribution-related service
13 from an electric distribution company pursuant to a small commercial
14 tariff.

15 (D) "Qualifying electric offer" means an offer to provide full
16 requirements commodity electric service and all other generation-
17 related service to a residential or small commercial customer at a fixed
18 price per kilowatt hour for a term of no less than [one year] six months.

19 (2) In the manner determined by the department, residential or
20 small commercial service customers (A) initiating new utility service,
21 (B) reinitiating service following a change of residence or business
22 location, (C) making an inquiry regarding their utility rates, or (D)
23 seeking information regarding energy efficiency shall be offered the
24 option to learn about their ability to enroll with a participating electric
25 supplier. Customers expressing an interest to learn about their electric
26 supply options shall be informed of the qualifying electric offers then
27 available from participating electric suppliers. The electric distribution
28 companies shall describe then available qualifying electric offers
29 through a method reviewed and approved by the department. The
30 information conveyed to customers expressing an interest to learn
31 about their electric supply options shall include, at a minimum, the
32 price and term of the available electric supply option. Customers
33 expressing an interest in a particular qualifying electric offer shall be
34 immediately transferred to a call center operated by that participating
35 electric supplier.

36 (3) Not later than September 1, 2007, the department shall establish
37 terms and conditions under which a participating electric supplier can
38 be included in the referral program described in subdivision (2) of this
39 subsection. Such terms shall include, but not be limited to, requiring
40 participating electrical suppliers to offer time-of-use and real-time use
41 rates to residential customers.

42 (4) Each calendar quarter, participating electric suppliers shall be
43 allowed to list qualifying offers to provide electric generation service
44 to residential and small commercial customers with each customer's
45 utility bill. The department shall determine the manner such
46 information is presented in customers' utility bills.

47 (5) Any customer that receives electric generation service from a
 48 participating electric supplier may return to standard service or may
 49 choose another participating electric supplier at any time, including
 50 during the qualifying electric offer, without the imposition of any
 51 additional charges. Any customer that is receiving electric generation
 52 service from an electric distribution company pursuant to standard
 53 service can switch to another participating electric supplier at any time
 54 without the imposition of additional charges.

55 Sec. 2. (NEW) (*Effective from passage*) On or before January 1, 2009,
 56 the Department of Public Utility Control shall conduct an uncontested
 57 proceeding to consider giving municipalities the authority to form
 58 aggregation compacts that would allow them to operate regional
 59 energy efficiency programs modeled on Massachusetts's Cape Light
 60 Compact. The department shall report the findings of such proceeding
 61 to the joint standing committee of the General Assembly having
 62 cognizance of matters relating to energy.

63 Sec. 3. Section 16-245s of the general statutes is repealed and the
 64 following is substituted in lieu thereof (*Effective July 1, 2008*):

65 (a) No electric distribution company shall submit or execute a
 66 change in a customer's selection of an electric supplier unless the
 67 change has been confirmed by one of the following: (1) [An
 68 independent third-party] A recorded telephone verification that is
 69 subject to an audit; (2) receipt of a written confirmation received in the
 70 mail from the customer after the customer has received an information
 71 package confirming any telephone agreement; (3) the customer signs a
 72 document fully explaining the nature and effect of the change in
 73 service; or (4) the customer's consent is obtained through electronic
 74 means, including, but not limited to, a computer transaction.

75 (b) [Third-party telephone] Telephone verification shall [be in
 76 accordance with the following procedures: (1) The electric supplier
 77 seeking to verify the change shall do so by connecting the customer by
 78 telephone to the third-party verification company or by arranging for

79 the third-party verification company to call the resident to confirm the
80 sale; and (2) the third-party verification] include, but not be limited to
81 the company [shall obtain] obtaining the customer's oral confirmation
82 regarding the change, and [shall record] recording that confirmation
83 by obtaining appropriate verification data. The record shall be
84 available to the customer upon request. Information obtained from the
85 customer through confirmation shall not be used for marketing
86 purposes. The verification procedure in this subsection shall not apply
87 when a residential customer directly calls an electric distribution
88 company to make changes in electric supplier service, provided an
89 electric supplier shall not avoid the verification procedure by asking a
90 residential customer to contact an electric distribution company
91 directly to make changes in electric supplier service. [For purposes of
92 this section, "third-party verification company" means a company that:
93 (A) Is independent from the electric supplier that seeks to provide the
94 new service; (B) is not directly or indirectly managed, controlled or
95 directed or owned wholly or in part by (i) an electric supplier that
96 seeks to provide the new service, or (ii) any corporation, firm or person
97 who directly or indirectly manages, controls or directs or owns more
98 than five per cent of such supplier; (C) operates from facilities
99 physically separate from those of the electric supplier that seeks to
100 provide the new service; and (D) does not derive commissions or
101 compensation based upon the number of sales confirmed.]

102 (c) Any violation of this section shall be deemed an unfair or
103 deceptive trade practice under subsection (a) of section 42-110b.

104 (d) The Department of Public Utility Control shall adopt
105 regulations, in accordance with the provisions of chapter 54, to address
106 abusive switching practices by suppliers.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	16-244c(k)
Sec. 2	<i>from passage</i>	New section

Sec. 3	<i>July 1, 2008</i>	16-245s
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Statement of Purpose:

To facilitate electric retail customer choice.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]